

Testimony before the Ohio Senate Government Oversight and Reform Committee

Regarding House Bill 96 - Fair Pharmacy Reimbursement

Presented by Elizabeth Ibrahim

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Chairwoman Manchester, members of the committee,

Thank you for the opportunity to speak with you today. My name is Elizabeth Ibrahim, and I am the co-owner of four independent pharmacies that serve patients across Stark, Crawford, and Fairfield Counties-including many rural and underserved areas.

I'm here today to strongly urge you to protect and preserve the "fair reimbursement" language in House Bill 96. These reforms are essential-not only to keep independent pharmacies in business-but to ensure Ohioans have access to dependable, local healthcare no matter where they live.

In many of the communities we serve, our pharmacy is one of the only accessible healthcare touchpoints. Some towns have no hospital. Some have no doctors nearby. When our pharmacies close for the day, the entire community loses access to care. We're not just handing out prescriptions-we're helping patients manage chronic diseases, providing vaccines, and offering advice they can't get anywhere else without long travel or expensive appointments.

But all of that is in jeopardy.

Independent pharmacies like ours are being pushed to the brink. The number most people are citing-191 pharmacy closures in Ohio in 2024-is already deeply concerning. But I want to emphasize that this number is incomplete. The Ohio Board of Pharmacy recently confirmed to us that this data does not yet include closures of independent and small-chain pharmacies. The current system still shows "zero" closures for independents in 2024, which we all know is inaccurate. The Board explained that they've just completed the licensing renewal period, and a thorough update to closure numbers will be available soon.

What we do know is this: the real number will be even worse. And each of those closures represents a community losing a trusted healthcare provider-and in some cases, their only healthcare provider.

These closures are not due to lack of demand or poor service. They are due to unsustainable reimbursement practices from pharmacy benefit managers (PBMs). We are often paid less than the cost of the medications we dispense. Add in surprise clawbacks and vague contractual terms, and pharmacies like ours are forced to operate at a loss. No small business can survive that.

We are not asking for handouts. We are asking for a fair system. A reimbursement model that allows us to keep our doors open and care for our communities with dignity and stability.

And we know fair reimbursement works. Just look at what Ohio's Single PBM model under Medicaid achieved: It raised dispensing fees to a level that pharmacies could survive on-and it saved the state money. Over two years, the single PBM model saved Ohio approximately \$140 million in administrative costs, even while increasing pharmacy reimbursements and simplifying the system. This information was reported by the Ohio Capital Journal on April 17, 2025. That's a win-win for taxpayers, patients, and pharmacies.

Ohio is not alone in tackling PBM reform. Several states are stepping up and making meaningful change. Arkansas was among the first to pass strong PBM oversight, leading to successful court-backed protections. West Virginia took PBM services out of Medicaid entirely and reported cost savings and greater transparency. And just recently, Georgia, Louisiana, and Montana have passed new legislation aimed at restoring fair reimbursement and eliminating spread pricing. These states have realized what we're living every day: when pharmacies close, patients suffer.

As a business owner, I've seen the toll this takes. We've had to make painful decisions-cutting hours, trimming staff-just to survive. And we worry constantly about what happens to our patients if we can't hold on. These are people we've known for years. They rely on us. They trust us. And they deserve better than being left behind by a broken system.

Please, protect the fair reimbursement language in HB 96. This legislation is not just a policy adjustment-it's a lifeline. It's a chance to stop more closures, to protect Ohio jobs, and to preserve access to healthcare for thousands of families.

Let us keep doing what we do best-serving our communities, supporting our patients, and filling the gaps that no one else can.

Thank you again for your time and your service to Ohioans. I would be honored to answer any questions.